SUPPORT DOCUMENT:

FACILITY IDENTIFICATION INITIATIVE

NOTICE AND REQUEST FOR COMMENT.

PART I : INTRODUCTION.

This document explores three subject areas pertaining to the "Notice and Request for Comments: Facility Identification Initiative (Notice)." The Agency workgroup addressing the Facility Identification Initiative spent a considerable amount of time in the early stages of its deliberations identifying the issues and alternatives associated with developing a rule. In Part II below, the rule-related issues and options are discussed in much greater detail than presented in the Notice. The Agency wanted to keep the Notice at a manageable length for commenters, and did not want the level of detail of the rule discussion to be misunderstood to indicate a preferred Agency approach. Since many of the issues discussed in the regulatory context are equally applicable to the other approaches and, substantive comments would be very valuable, the Agency is presenting a more detailed discussion in this document.

The second subject area explored in this document is application of the concept "facility" discussed in the Notice, to four unique situations. The Notice suggests a draft conceptual definition of "facility" for purposes of Facility Identification Initiative which on its face may not be easily applicable to at least four types of reporting situations identified by EPA. Part III of this document explores how these situations may be accommodated in a potential facility identification framework. There, EPA either suggests how the draft conceptual definition can reasonably apply or asks specific questions in order to obtain additional information. The

Agency hopes that this discussion will elicit substantive comments from parties familiar with and interested in these unique reporting scenarios. Part IV of this document explores the manner in which a facility identification data system might best operate hand-in-hand with the day-to-day realities of the business world. EPA is dedicated to havinng an efficient and accurate facility identification data scheme with longevity. Such a scheme must be able to accommodate normal business transactions. Part IV discusses how certain business transactions that will likely result in changes to a facility's identification number or its' data profile could be accomodated.

PART II: ISSUES AND OPTIONS RELATED TO A RULE APPROACH

A rule would require certain data submitters to report (or verify) a standard and consistent set of facility data. Under this approach, the responsibility to reconcile any differences in facility data submissions and keep the facility record current would rest with the facility. A facility would be subject to reporting under this approach where data about the facility is reported under one or more specified Federal environmental data collection requirements. Duplicative data elements in other collections would be eliminated. EPA believes that it could reasonably cite multiple existing statutory authorities as the basis for promulgating a rule to establish and maintain consistent facility data records, and appropriately streamline the reporting of facility data elements under existing rules.

Establishing a facility identification reporting rule could provide the framework necessary for consolidating and streamlining the reporting of facility data elements that are present throughout numerous current reporting requirements. Definitions in this rule would be cross-cutting and not dependent upon the differing regulatory and statutory definitions that apply in any individual rule. A rule could generally define "facility" and outline the information elements that

would become a required part of the standard facility data record. It would also establish a time-frame for the initial report, and set forth any requirements for ongoing review and correction of the data record.

Another major function of a rule process would be to amend existing rules that authorize facility specific reporting and permitting. Three basic changes would occur. First, EPA would place a cross reference into the existing rule advising the regulated "person" that they are also subject to the new consolidated facility data reporting requirements. A Facility Identification number would then be added as a required data element in each such existing rule. This would allow the form(s) authorized by that existing rule to include the new, consistent identifier for that facility. Finally, the amendment would, where possible, eliminate from the existing rule and reporting forms certain facility data elements that are also present in a Facility Identification rule. However, basic name and locational address information necessary for data validation purposes on any current form would not be eliminated. One practical consideration in this scenario is that States individually administer and ultimately control the total content of many current reporting forms. How likely are States to actually modify such forms to eliminate certain facility data reporting elements?

The Facility Identification data (the report required under this approach) would be submitted to EPA (or, potentially the State), or existing data would be verified by facilities, and would be entered into a central data base accessible to EPA, States and the public. The Facility Identification record would then become the definitive and consistent record for identifying a facility.

This approach could support most of the goals of the Facility Identification Initiative. It

could establish a uniform set of facility identification data and reduce overlapping data element collection. Additionally, the rule changes that would reduce such duplication could represent a first practical step toward further reporting data consolidation. Although this approach may not necessarily support the burden minimization goal because it would establish a new, separate collection, the possible data element elimination from multiple other rules could provide a net burden decrease over time.

The following are a number of specific reporting rule issues and options on which the Agency seeks comment.

1. Persons subject to a reporting requirement. A person would become subject to a facility identification data reporting requirement if they were subject to one or more specified Federal environmental regulations. Most of these regulatory provisions relate to periodic reporting of environmental data to the Agency, the State, or other appropriate delegated authority. In other words, coverage under a rule on a specified list of existing Federal regulatory requirements (see Table 1. below) would activate reporting under a new facility data reporting rule.

a. Criteria for selecting the rules/collections to be amended. In its efforts to identify the most appropriate reporting requirements for coverage under a facility data reporting rule, EPA developed and used the following draft criteria:

(I) The reporting requirement and reports submitted should be site-specific. In other words, the "who" information in a submission should relate to the physical location of the permitted or regulated activity.

(ii) The facility covered by the data collection would have to be fixed (e.g., mobile

source regulations under the CAA would be outside the scope); and

(iii) The data collection would have to require periodic reporting or could be a one-time application and/or registration with periodic follow-up. One-time notifications, surveys, and incident reports would not be considered within the scope of a new rule.

b. Data collections that could trigger Facility Identification reporting. EPA has identified numerous data collections that it considers to be potentially within the scope of a facility data reporting rule, based upon the draft criteria outlined in paragraph a. above. EPA began the identification process by reviewing all of EPA's current Information Collection Requests (ICRs). Detailed matrices were developed showing the specific ICRs considered "within scope" of a potential rule. The specific elements included: the responsible EPA program office; the statutory authority; the title of the regulation; the ICR and OMB numbers; the CFR citation; the frequency of reporting; whether or not the ICR was considered to be within the scope of such a rule; and, the specific facility data elements required to be reported. The completed matrices for these "within-scope" ICRs are available for review in the public record for this Notice.

Appropriate offices within the Agency then reviewed the ICRs for which they have responsibility and compared them to the criteria. The results of this review are presented as Table 1 below. Each listed ICR has its basis in a regulatory and/or statutory provision. Therefore, Table 1, represents a list of Federal actions that could trigger reporting under a facility data reporting rule and that could be amended to remove data reporting elements. If, for example, a person is subject to the reporting requirements of the Toxic Chemical Release Inventory (TRI) (40 CFR part 372), then that same person would be subject to a Facility Identification rule and would submit facility data reports for all relevant facilities associated with their TRI reports. As

an aid to the reader, Table 1 is organized by environmental statute and includes the name of the regulation, the regulatory citation, and the EPA ICR number.

EPA would amend each listed rule, as described above, to eliminate, where possible, duplicative facility data elements and add a Facility Identification number as a specific reporting element. The addition would ensure that existing reporting forms are modified to provide a space for reporting the facility's new identification number. That report could then be successfully linked to the centrally maintained Facility Identification record.

2. Elements of a Consolidated Facility Report.

Another cross-cutting issue is the content of the facility identification data record. Assuming that the Facility Identification Initiative is implemented using a central facility data registry approach, the Agency and the States will need to consider what facility data elements are necessary to maintain. The content of this record is particularly important to the discussion of collection of this data by rule. A rule would need to specify what information elements must be reported and updated over time. This has a direct bearing on the burden issue, both from the standpoint of what elements would constitute a "new" collection and what elements would be removed from the facility section of existing rules and reporting forms. There is, however, an important difference between what may be part of a reporting requirement and what EPA and States would decide to include as elements in a facility identification data record. For example, under a reporting rule approach, EPA could decide that it is not necessary to collect a certain data element from facilities. It may, however, be a useful and appropriate data element that can be populated from other existing sources. In short, the ultimate data base structure could be more detailed than the elements of a reporting requirement.

Using a non-reporting/ non-regulatory approach would still call for articulation of a facility identification data structure. One distinction, however, is that the data records would all be populated from existing sources. Therefore, the completeness of any given facility identification data record would be a function of the detail of existing facility data used to develop that consolidated facility data record. This could lead to different decisions about total data structure.

Following is a discussion of data elements that the Agency identified and determined were appropriate for eliciting comment.

3. Timing, method and frequency of Facility Identification reporting

a. Time-frame for initial reporting. EPA would have to establish an initial reporting time-frame for a rule. In doing so, the Agency would need to consider factors such as how soon after finalization of a rule the Agency can reasonably require the first report (or require facilities to verify existing records). Because this report and its updates will constitute the facility's

TABLE 1. - ACTIONS THAT COULD POTENTIALLY BE INCLUDED UNDER A FACILITY IDENTIFICATION INITIATIVE

Clean Air Act

REGULATORY TITLE	40 CFR CITATION	ICR #
Source Compliance and State Action Reporting	51.100	107
Annual, Updates of Emission Data to Aerometric Information Retrieval System (AIRS)	51.321-51.323	916
New Source Performance Standards (NSPS)	Generally, Part 60	
National Emissions Standards for Hazardous Air Pollutants (NESHAPS)	Generally, Parts 61 & 63	
CAA Title V - Operating Permits Regulations - Information Requirements	70,502,503	1587
Federal Operating Permits Program of the Clean Air Act (Part 7 1)	PART 71	1713
Consolidated ICR for the Acid Rain Core Rules - Permits	PART 72	1633
Consolidated ICR for the Acid Rain Core Rules - Nitrogen Oxides Emission Reduction Program	PART 72	1633
Consolidated ICR for the Acid Rain Core Rules - Opt-In-Program	PART 74	1633
Consolidated ICR for the Acid Rain Core Rules - Continuous Emission Monitoring	PART 75	1633
Accidental Release Prevention Requirements: Risk Management Programs Under the Clean Air Act	PART 68	1656
Recordkeeping and Periodic Reporting of the Production and Consumption of Newly Controlled Ozone Depleting Substances	PART 82, SUBPARTS A & E	1432

Comprehensive Environmental Response, Compensation, and Liability Act

REGULATORY TITLE	40 CFR CITATION	ICR #
Continuous Release Reporting Regulation Under CERCLA	302.8	1445

Table 1. (Contd.) **Clean Water Act**

REGULATORY TITLE	40 CFR CITATION	ICR #
NPDES Permit Application	122.21,122.26, 122.44, 122.501	226
National Pollutant Discharge Elimination System (NPDES)/Compliance Assessment Information	122.41, 122.47	1427
Combined Sewer Overflow Policy (CSO), 59 Federal Register 18688 (April 19, 1994)		1680.01
Discharge Monitoring Report	122.21, 122.41	229
Pretreatment Program Information Requirements	403	2

Emergency Planning and Community Right-to-Know Act

REGULATORY TITLE	40 CFR CITATION	ICR #
Toxic Release Inventory 313 Reporting	372.25, 372.85	1363
Alternate Threshold for Low Annual Reportable Amounts	372.85	1704

Federal Fungicide, Insecticide, and Rodenticide Act

REGULATORY TITLE	40 CFR CITATION	ICR
Application for Registration of Pesticide-Producing Establishments (EPA Form 3540-8); Notification of Registration of Pesticide-Producing Establishments (EPA Form 3540-8A); Pesticide Report for Pesticide-Producing Establishments (EPA Form 3540-16)	167.20, 167.85	160

Table 1. (Cont.) **Resource Conservation and Recovery Act**

REGULATORY TITLE	40 CFR CITATION	ICR
Identification, Listing, and Rulemaking Petitions	260.20(b), 260.22, 261.4(d), 261.4(f)	1189
Notification of Regulated Waste Activity	262,263,264, 265,266,279	261
1993 Hazardous Waste Report	262.41, 264.75, 265.75	976
Hazardous Waste Generator Standards	262.56(a), 265.56(d), (i), (j)	820
General Hazardous Waste Facility Standards	264.56(d)(2), 264.56(i), (j)	1571
RCRA Hazardous Waste Permit Application and Modifications, Part A	270.1, 270.13, 270.72	262
Part B Permit Application, Permit Modifications and Special Permits	270.1, 270.14(b)	1573
Used Oil Management Standards	279.57	1286

Safe Drinking Water Act

REGULATORY TITLE	40 CFR CITATION	ICR #
Public Water Supply Program	141	270
Underground Injection Control Program Facility and Well Inventory Information	144	370

Table 1. (Cont.) **Toxic Substances Control Act**

REGULATORY TITLE	40 CFR CITATION	ICR
Partial Updating of TSCA Inventory Data Base; Production and Site Reports	710.32	1011
Toxic Substances Control Act (TSCA) Section 8(a) Preliminary Assessment Information Rule (PAIR)	712	586
Polychlorinated Biphenyls (PCBs): Manufacturing, Processing and Distribution in Commerce Exemptions	750.11, 750.31	857
PCB Disposal Permitting Regulation	761.60	1012
PCB Notification and Manifesting of PCB Waste Activities, and Records of PCB Storage and Disposal	761.180, 761.205, 761.211, 761.218	1446

consistent, "high level" record for identification data in the Agency's major data systems, EPA would need to have an accurate facility record in place before receiving data from any ongoing cyclical collection. For example, there is a statutory requirement that the TRI data be submitted by July 1 of each year. After that it undergoes a rapid process of data entry/analysis at EPA before it is released to the public. If the TRI program were no longer collecting the facility identification data then EPA would need to set the data reporting/update deadline several months earlier than the TRI reporting deadline. The reporting date could also be affected by the level and nature of State involvement in the data management. If the data were to be submitted directly to the States and then forwarded to EPA, additional time would be needed so that EPA could consolidate, verify, and normalize the nationwide set of data.

Under this approach EPA could consider an initial reporting deadline of March 1 following the effective date of a final rule. This initial reporting time-frame would provide data in a timely manner to satisfy most of the Agency's ongoing data management requirements.

b. Method of Reporting: Verification of a facility record developed by EPA. EPA believes that one way to potentially minimize the burden on data submitters would be for EPA to develop a draft record for a facility. EPA would do this by undertaking a preliminary internal records review and cleanup step. From its most current records, EPA would then develop a draft record, and provide it to the facility for verification and addition of any missing data. Would the procedure of having the facility review, revise, and complete a draft record, rather than compile all data on a blank form, lessen the reporting burden for facility personnel?

c. Phasing options for the initial report. A rule could affect a very large number of

facilities nationwide. Should EPA consider options for phasing-in reporting to help facilitate this new system's introduction? Following are several possible phase-in options.

(1). Link reporting to the first triggering action. Under this phase-in option, the report for any given facility would become due in conjunction with the first report required by a triggering action. For example, a person subject to filing a RCRA Biennial Report would submit their initial Facility Identification report on or before the first required reporting period for the Biennial Reporting System following the effective date of a final Facility Identification rule. (See Table I, 1993 Hazardous Waste Report)

(2). Phase in by groups of triggering actions. Under this approach, EPA would assign an initial reporting deadline to each triggering action. In this way, the Agency could establish a hierarchy of groups of actions that would phase-in initial reporting over a specified period of time, such as a period of 3 years.

With respect to establishing a hierarchy of actions, it may be appropriate to put all rules associated with major EPA data collections into the first group. The initial submissions would then most likely represent facilities with the highest potential for linkage of data among various collections. A variation of this option would require reporting first by those facilities that, by their own determination, are subject to multiple requirements, followed in the second year by those subject to only one triggering requirement.

(3). EPA-managed collections first. A variation on the grouping of actions in paragraph 2(b) above would be to start the Facility Identification data collection with those collections managed directly by EPA. This could be followed a year later with those managed by States under delegated authority. This second phase could be a combination of some of the approaches

outlined above, for example reports on the same schedule as the underlying data collection. This approach would provide more time for States and local governments to make necessary changes to the forms and instructions they produce that implement delegated collections, such as the RCRA Biennial Report.

(4). Industry classification. Certain initiatives underway within the Agency, such as the Common Sense Initiative, are organized around industry classifications of persons subject to environmental regulations. Certain of these projects are in the process of identifying ways of making reporting and data management more efficient for both the submitter and the Agency. Therefore, reporting could be phased-in on an industry grouping basis, as part of the larger implementation plan resulting from such initiatives.

(5). Size of facility. EPA could also phase-in reporting based upon facility-size groupings. The first year of reporting could be applied to the largest facilities, with groups of smaller size entities becoming subject in one or more subsequent time periods. The rationale for such an approach would be that larger facilities are more readily equipped to handle compliance with new or revised reporting requirements. They are also most likely to be subject to multiple requirements, which could more readily promote the realization of the linkage objective of a rule. Establishing the size categories may be problematic, but they could be based upon either a range of a number of employees or on sales volume. Also, such an approach could be confusing as to when the original or "new" requirements apply.

(6). Geographic location. This approach entails phasing in regulated facilities according to some geographic parameter or priority. For example, implementation could occur by State, EPA Region, watershed, airshed, or other ecosystem parameter. This approach allows for those

States or other areas that have the most resources or the most pressing environmental issues to be phased-in first. Other States or areas could be phased in over a predetermined period of time.

(7). Delayed use of the identifier. This option relates more to the required use over time of a new identifier number in the triggering collections. The requirement to provide the identifier number as part of ongoing reporting requirements, such as the RCRA Biennial Report, could be activated after a period of, for example, 3 years from the date the number is obtained. This option would provide facilities with time to review and revise their electronic reporting systems, reporting procedures, and data bases. It would also provide additional time for the Agency, States and other jurisdictions to revise their rules, forms, instructions and systems to accommodate the new facility identifier number and record.

Would a phase-in approach be a significant benefit to the regulated community or would it only lengthen the time to full systems implementation? A basic drawback of any phasing approach may be the additional time required to obtain a full facility identification data set. The delay in full implementation could also postpone realizing the full burden-reducing aspects of this program. Moreover, phasing-in is not likely to limit or reduce the ultimate reporting burden for any given person.

Would establishing different timings of submissions for groups of facilities or groups of requirements as outlined above actually create a more complex compliance situation, particularly for those persons with multiple facilities subject to several different requirements?

d. Initial submissions by new facilities. A reporting requirement would affect facilities that become operational or otherwise become subject to one of the triggering requirements after

the initial reporting time-frame. A rule must therefore tell persons responsible for those facilities when to report. Under this approach EPA would consider whether to require that a report for such facility be submitted on or before March 1 following the calendar year in which the facility became subject to a triggering requirement.

An alternative approach would be for a facility to submit its report at the same time it first reports for a triggering action.

3. Reviewing and updating the Facility Identification record. Keeping the Facility Identification data base current would be a long-term challenge for the Agency and industry. It is essential that the Facility Identification record reflect the most current information about a facility because this record would be the overall reference used by multiple Agency and State data systems. State and EPA experience has indicated that a significant number of changes (15% to 30%) to facility records occur on a yearly basis. Therefore, the Agency must consider how frequently the data should be reviewed and updated once the facility's record is established through initial reporting. The Agency must balance the need for keeping the data accurate with the burden associated with the ongoing nature of such submissions. EPA considered several options for the ongoing review and updating of the Facility Identification data base.

a. Mandated periodic review and update. One option is a requirement for periodic verification by a facility of its record, with appropriate changes provided. Persons subject to a rule would be required to review their facility records and submit either an indication that no change is necessary or mark the necessary changes, on a fixed schedule, such as “on or before March 1 of each year.” An advantage of this option is that it would help to insure that all subject persons would review and provide current data in a time-frame that would support Agency data

bases. Facilities would know when they are obligated to review their record and the required, periodic response would promote full compliance. Disadvantages include the fact that it imposes a review burden that would result in no new data for facilities that have experienced no change in the prior 12 month period. Also, depending upon the number of facility records involved, this approach could be the most costly to the Agency and/or States in terms of data management.

b. Update only when changes occur. A rule could require an updated submission within, for example, 30 days of a change occurring, such as a facility name change. An advantage of this approach would be that a facility would only be obligated to provide an update of their record on an "as-occurs" basis. This would limit the reporting burden, especially for those facilities that enjoy long-term stability in their identification parameters. It could be more burdensome for some facilities that undergo multiple changes within the same year. However, this option requires persons subject to a rule to constantly monitor the facility's identification parameters. EPA is also concerned that the absence of a periodic deadline for confirmation/modification of the facility record could result in a lack of ongoing awareness of the reporting requirement.

c. Report changes as they occur and verify periodically. A third option is a variation on the approach in paragraph b above. It requires changes to be reported only as they occur, coupled with a requirement to verify facility data periodically, such as at least every 3 years. This approach could combine the flexibility of an "as occurs" approach with a periodic reminder that would address the data drift issue.

d. Incorporate in current submissions. A fourth option would tie the verification/modification of facility identification data to the submissions required under those rules that function as triggers for this requirement. For example, persons subject to submittal of

the RCRA Biennial Report would be prompted to check their Facility Identification record and make any changes necessary to update that record. This could take the form of making the Facility Identification form itself "page 1" of all such reports. A variation on this approach would be to maintain a shortened facility identification section on the Biennial Report Form. Instructions would direct the submitter to make certain that they update their Facility Identification record for the facility. A standard Appendix in the reporting requirement's instructions could provide appropriate directions for updating the record. A variation of this approach would be to allow a check box certifying no change or change submitted at the time of the data submission.

4. State and Federal models for flow of data. A critical element for implementing a reporting rule approach will be determining the method of data collection. Developing a collection system that is compatible with all State environmental programs and the Agency's multimedia programs present significant challenges.

The Agency has developed five basic models for determining how the facility identification data could be collected and entered into a central data base. For each approach, EPA has presumed that States would maintain the role of continuing to work with their facilities to improve the quality of the facility submissions. From EPA's perspective, States are the best qualified to perform this important role, due to their knowledge of and experience with the facilities within their borders.

a. Model 1: Federal collection. Under this approach, the Agency would collect the facility identification data and provide Agency programs, States, and the public with access to the data for their individual use. Facilities that are required to report would submit their facility

identification data directly to the Agency. The Agency would then be responsible for ensuring the quality of the data submitted, reconciling and consolidating it, and making the data available to its programs, State partners, and the public.

Some of the advantages for this approach are: (1) Having one recipient (EPA) would give the Agency immediate access to the data, resulting in a quicker turnaround of the data to users; (2) the Agency would be committed to investing more resources in quality assurance and quality control activities than most States who may choose instead to spend their limited resources on developing media programs, and; (3) having one recipient (EPA) would ensure national consistency in data entry.

There may be certain disadvantages to this approach as follows: (1) Although the Agency would be committed to making the data available to States quickly, States may view any idle time without access to the data to be unacceptable; (2) because a facility identification data base might contain only Federally-regulated facility information, it may omit data from facilities regulated only by States or, even if such data are collected, may result in inconsistency of data elements. With respect to the latter, the Agency could provide a mechanism for States to enter and store State-only data in the facility identification data base.

b. Model 2: State-only collection. Under this approach, the States would collect the data from facilities required to report and perform quality control. States would then submit the data to the Agency through a series of system-designed interface specifications. Once received, the Agency would complete its data quality/assurance procedures before making the information available in final form to Agency programs and the public. The benefits for this approach are as follows: (1) It may be less burdensome to the Agency to require that facilities submit their

information directly to the States, and (2) States will have primary access to the most current data supplied by a facility while the Agency completes its quality control/quality assurance procedures. This will result in preventing the potential difficulty of any lag time for State access to the data as discussed under Model 1, but may result in a significant lag time for the availability of the full national data set to EPA and the public.

EPA is concerned, however, that there may be some problems with this approach: (1) Some States may not wish to participate or may not have the financial and/or human resources to collect the data; (2) States must transmit data to the Agency through specifically designed interface specifications, and if data are lost or damaged in transmission to the Agency, the Facility Identification data base would be flawed or incomplete and require more time to complete; (3) the level of quality assurance/quality control capabilities will vary among States based on available resources for the task; (4) inconsistencies in the quality and timeliness of State-collected data will delay accessibility of the information to EPA programs, States, and the public; (5) it may be more costly to have 50 or more receipt points for data; and, (6) there is now no single point of contact within the State for all of the data EPA requires States to collect.

c. Model 3: State and Federal hybrid I. This model would apply where only some of the States are willing to collect facility identification data. EPA would automatically assume responsibility for collecting the data for those States unable or unwilling to collect the data themselves. This model constitutes a hybrid approach to State/Federal collection of the facility identification data elements. Under this model, facilities would submit their facility identification information directly to the State. For States that do not participate, EPA would collect the data directly. The Agency would complete the process of consolidating and verifying the data before

providing a final data set to the Agency Programs and States. Agency involvement in data collection in these circumstances will ensure that: (1) Data are collected from all facilities; and (2) that data collected from nonparticipating States are collected in a uniform manner. Although this approach will solve the problem of nonparticipating States, it will not lessen the likelihood of inconsistency among data submissions from those States that wish to participate, as outlined in Model 2 as a limiting factor.

d. Model 4: State and Federal hybrid II. The EPA and the States would jointly develop a data management system and make it widely available. In lieu of transmitting raw data to the EPA for entry into the Facility Identification data base, the States would enter it directly and, subsequently, the Agency would complete the process of data quality assurance. This approach would involve the Agency and the States working cooperatively to develop a networked data management system for common use. States would be responsible for loading the data received from the Federally regulated facilities, and both the States and the Agency would have mutual access to the system. The difference between the Model 3 approach described above and this model is that, in lieu of forwarding the data to EPA, the State would enter the data directly into a Facility Identification data base. The Agency would, as in all the model approaches, complete the process of data quality assurance. The data would subsequently be accessible by both the Agency programs and State entities. This approach addresses the difficulties associated with data quality and control by streamlining the data collection activities, resulting in higher data quality. Additionally, due to the elimination of the transfer of data, loss or damage of data would be prevented. Also, this hybrid model addresses the issue of timely access to the data base by both the Agency programs and the States.

Although this model solves some of the issues identified in earlier approaches, there are also some drawbacks to this type of interactive system. Because the data will be accessible to a number of individual parties, the quality of the data entered may vary. Additionally, this approach may be resource intensive to some States that would have to purchase additional hardware and software.

e. Model 5 - State/Federal Hybrid III. Under this approach, the Agency would be responsible for the initial reporting cycle and data entry activity as outlined in Model 1. Once that process was complete, for data reported to States, the States would be responsible for receiving the ongoing update information as well as any new facility reports. The States would transmit this data to EPA for entry into the Facility Identification data base. This model is another State/Federal joint data collection effort. Under this scenario, the Agency would be responsible for conducting an initial data call-in. Once this process was complete, the Agency would make the final data set available to the EPA program offices, States, and the public. The initial data call-in is envisioned to be a one-time effort, after which the States would then be responsible for collecting the data from their respective facilities and periodically submitting updates of the information to a national data base including any information from new facilities.

The benefits of this approach are twofold. It would provide the Agency an opportunity to expeditiously normalize and verify its existing facility identification information and establish a process for continuing the maintenance of a Facility Identification data base. Additionally, this model would enable the States to be major partners in this effort, but shifting the initial burden of “cleaning up” the data to the Agency. On the other hand, there may be concern on behalf of the States with EPA's ability to quickly turn the data around after the initial data call-in, and with

the processes to keep the data current.

The Agency welcomes comment on the Federal/State data flow models presented in this approach. Additionally, the Agency encourages submission of other models that should be considered in determining how the data should be collected and managed in a reporting rule framework.

PART 3. APPLICATION OF "FACILITY" CONCEPT TO FOUR PROBLEMATIC SITUATIONS.

The Notice suggests a draft conceptual definition of "facility" for purposes of Facility Identification Initiative as follows:

> "All buildings, equipment, structures, and other items located on a single site or contiguous or adjacent sites owned or operated by the same person or persons."

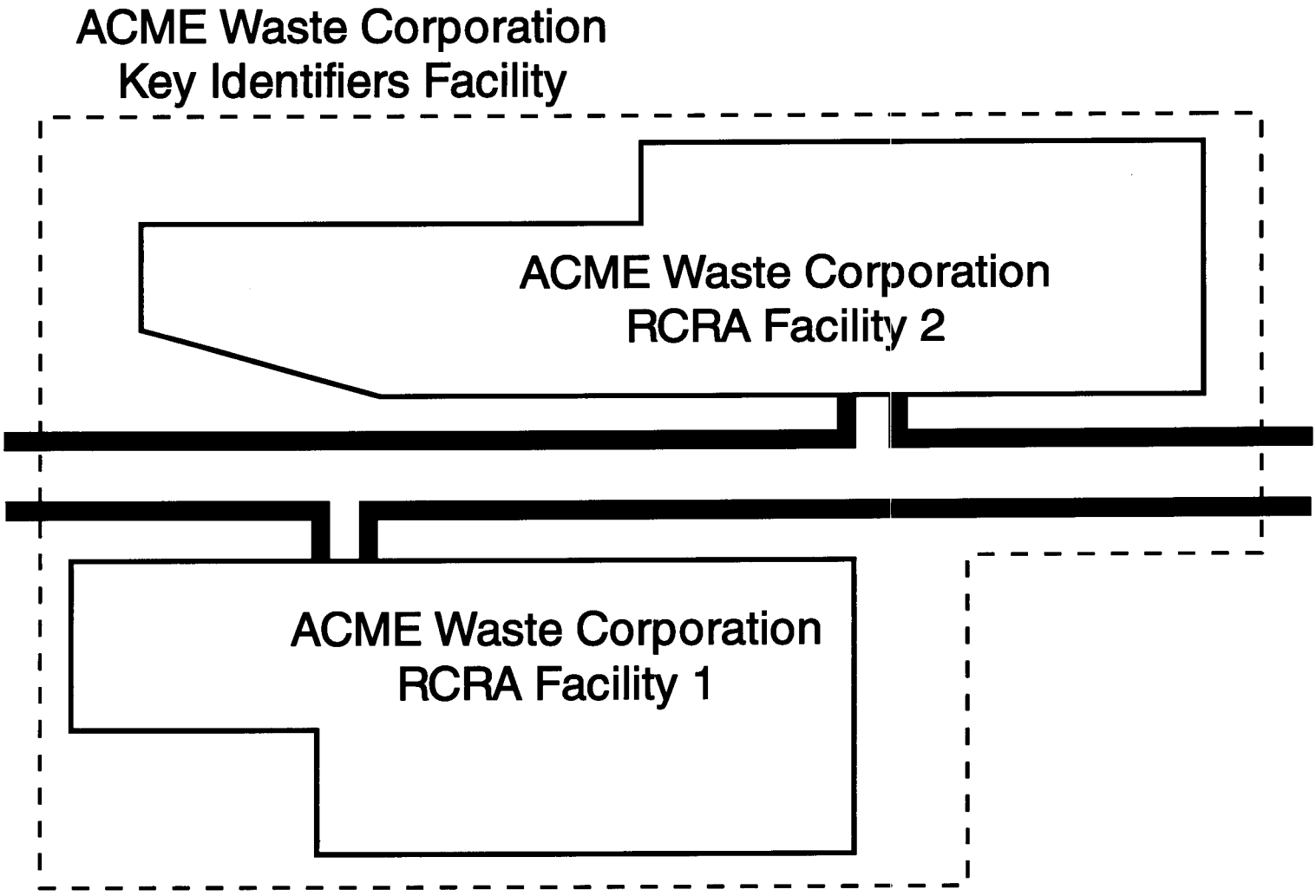
Hence, the facility would constitute the outermost perimeter of a single geographic area that is occupied by an entire entity, including all of the entity's parts or divisions.

This geographically-based, holistic concept on its face may not be easily applicable to at least four types of reporting situations identified by EPA. The four scenarios to which the holistic facility concept may not easily apply are: (1) facilities that under current rules are required to report at their "subentity" level; (2) multiple facilities with disjointed operations that operate within a single, larger real estate perimeter, (3) adjacent subsidiaries of the same corporation that are separate business entities, and; (4) facilities that are systems or part of systems. The question of how the facility concept might apply in these more problematic situations is presented here for comment. EPA is also interested in receiving comments on whether or how the various approaches for implementing a Facility Identification Initiative would

affect the workability of applying the facility definition in these situations. The Notice discusses two reporting approaches (e.g. rule or Information Collection Request(ICR)) and 3 non-reporting approaches for implementing a Facility Identification Initiative. For example, the party that would make the determination of what constitutes the facility in these situations would differ depending upon which approach is used for implementing a Facility Identification Initiative. With a rule approach the term "facility" would be defined and each reporting entity would apply that definition to its circumstances to determine how to identify itself for reporting under a Facility Identification Initiative and in the underlying collections. The facility would also identify itself with an ICR approach. Under the several non-reporting approaches either EPA and/or the States would determine the identity of the holistic facility based on existing records maintained by EPA/States. Who is best situated to determine the identity of the holistic facility, especially in these more complex scenarios? Once a determination is made, how would the records be kept current if, for example, the facility was not required to report changes over time?

1. Facilities with sub-entity reporting requirements. Some environmental reporting programs may *require* that a facility provide information at the "sub-entity" level (e.g. division or operation, or subsidiary level of a larger but physically contiguous complex). The larger facility complex (including all of its sub-entities at the same location) would constitute the holistic facility under a Facility Identification Initiative. However, one or more parts of the larger facility could constitute a separate 'facility' for purposes of a particular environmental reporting program. **Figure 1** illustrates how this can occur at a facility regulated under the Resource Conservation and Recovery Act (RCRA). In this example, the Acme Waste Corporation conducts operations on two sides of a public road (or other such right-of-way). The Acme Waste

Figure 1


ACME Waste Corporation
Key Identifiers Facility
ACME Waste Corporation
RCRA Facility 2
ACME Waste Corporation
RCRA Facility 1

Corporation is comprised of two or more contiguous properties and therefore, in its entirety (outlined by dashed line in Figure 1), the Corporation constitutes one holistic facility for purposes of facility identification data. However, under RCRA each of the operations on these two properties would constitute a separate facility. Under RCRA these two properties are not considered "contiguous," because the owner/operator has to travel along a public road to reach the adjacent property. Because the two properties would not be considered contiguous, the operations on both sides of the road would each be subject to the RCRA manifest and transportation requirements in full - this includes assigning each operation a distinct RCRA identification number. (This concept is explained in the preamble to the final RCRA rule published in the February 26, 1980 edition of the Federal Register (45 FR 12722).) In these circumstances the facility would be viewed as one whole facility under the draft definition but, the facility must report information about its two operations separately to RCRA.

A similar situation can arise at facilities subject to Clean Air Act Title V permitting. The entire facility (outlined by dashed line) in **Figure 2** would be considered the holistic facility in keeping with the draft definition. Yet, under the new permit program, some facilities may be able to divide their facility by SIC code, making each distinct, two-digit SIC code activity a separate 'facility'. **Figure 3** illustrates a more complex example where the larger facility would fit the holistic facility concept, but the facility must report portions of its activities separately in various reporting programs. In this example "OurCorp Facility Complex" owns/operates several operations on adjacent sites and considers itself one facility from a business perspective. Thus the OurCorp Facility Complex as a whole would constitute a facility under a Facility Identification Initiative. However, several operations at the complex are required by certain data

Figure 2

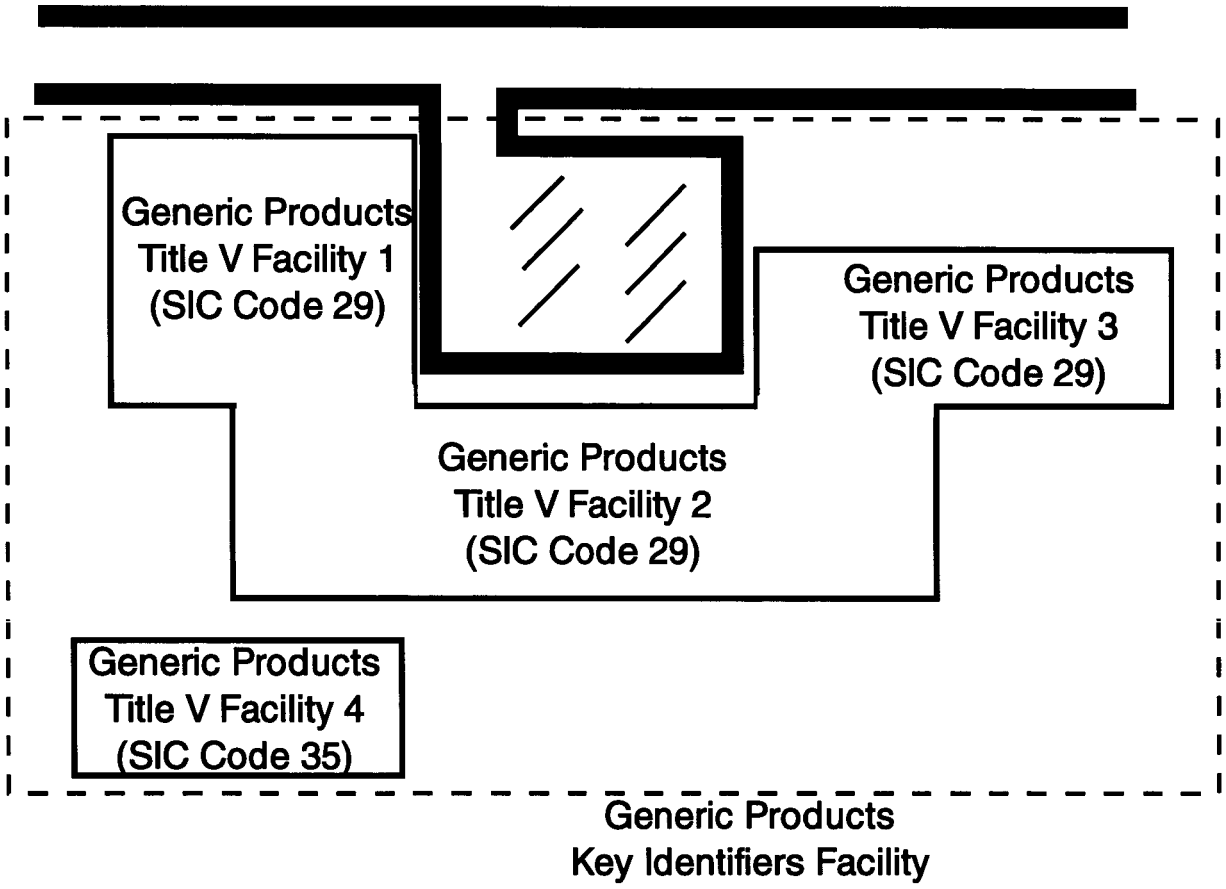
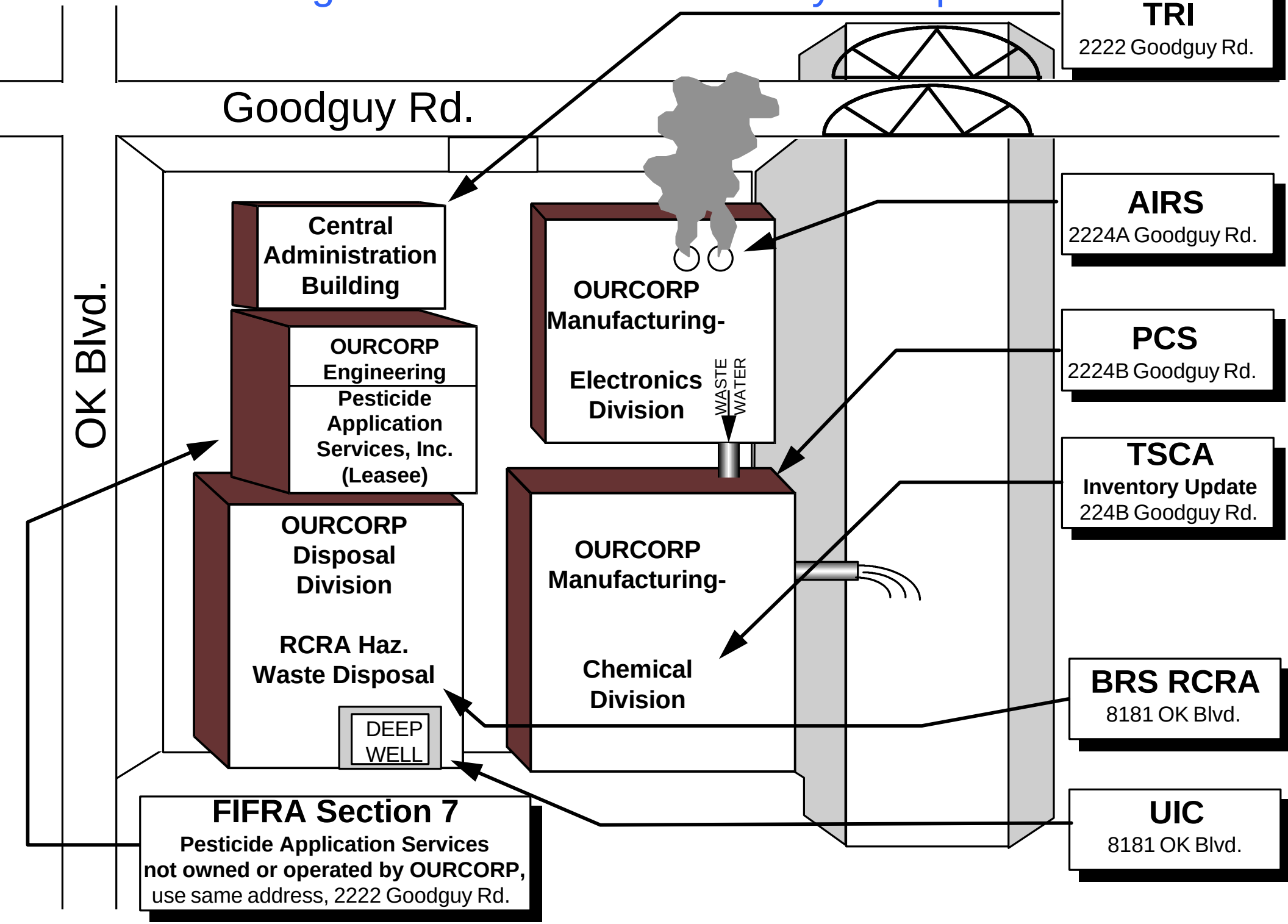

Generic Products
Title V Facility 1
(SIC Code 29)
Generic Products
Title V Facility 3
(SIC Code 29)
Generic Products
Title V Facility 2
(SIC Code 29)
Generic Products
Title V Facility 4
(SIC Code 35)
Generic Products
Key Identifiers Facility

Figure 3: OURCORP Facility Complex



collections to report at a sub-entity level. For example, the electronics and chemical manufacturing divisions may be required by State regulations to report air releases under separate Title V facility names. One the other hand, under TRI and RCRA requirements, these operations must be aggregated and reported for the entire "OurCorp Facility Complex."

These examples illustrate that there is a need due to reporting requirements of some collections to maintain the identity of the particular reporting sub-entity (e.g. division or operation). At the same time, the holistic facility concept is easily applied in these examples to create one facility (e.g. Acme Waste Corporation, OurCorp Facility Complex) under a Facility Identification Initiative. The issue is how to include the sub-entity within the framework of the holistic facility concept. The manner in which this is accomplished may differ depending upon whether a Facility Identification Initiative is implemented by a reporting or a non-reporting approach.

In the case of a rule approach, the rule's objective would be to simplify and standardize the reporting of information identifying a facility. It would be counterproductive if the rule were to compromise the ability of the affected collections to obtain sub-entity level information relevant to their missions. One approach would be for facilities to report data pertaining to the holistic facility for their facility identification data profile. Sub-entities would be permitted to continue reporting their sub-entity name and address in their submissions to the underlying collections. However, the sub-entities would be required to submit the facility identification *number* of the larger, holistic facility along with their sub-entity name and address in the underlying collections. In this way, sub-entities would be linked in the overall facility profile.

EPA considered several other approaches to dealing with facilities with sub-entities in the context of a rule. The first approach would be to require that the facility identification data replace the sub-entity information in reports. As discussed above, this approach could undermine the integrity of certain affected data collections that require this sub-entity level specificity. EPA also considered creating an additional, longer form that would require reporting both the facility identification data and the sub-entity identifier data. The advantage of this approach is that the sub-entity and the more comprehensive facility identification information would both be available in the report and in the facility profile retained in a central facility registry. This approach, however could be viewed as unnecessarily burdensome to the regulated community.

If a Facility Identification Initiative was implemented without a rulemaking, EPA and/or the States would have to develop the facility profile for the holistic facility. This could be particularly challenging when several sub-entities are involved. Since facilities would be reporting at the sub-entity level and would not be required to submit facility identification data for the holistic facility, there is a question as to how EPA and/or the States would accurately identify the holistic facility and its identifier data. There is also the question of making accurate linkages between the holistic facility and the related sub-entities and keeping these linkages up-to-date.

2. Multi-Facility Establishments. Generally, where one owner operates several businesses that are related on a single site, the boundary encompassing the entire site would constitute the holistic facility for purposes of a Facility Identification Initiative. In contrast, where several businesses occupy the same site but are truly separate and distinct businesses, applying the holistic definition may be confusing. Questions may arise as to how the facility

definition applies: (1) to a business that has a real estate only interest in a site occupied by several businesses, (2) to the multiple businesses themselves, especially if they carry on multiple operations that are not geographically confined to a single portion of the site, and, (3) to multiple businesses whose operations are so commingled at a single site that they are not easily distinguishable from each other.

EPA's opinion at this point is that facility identification data reporting should not apply to 'landlords', i.e. those who have a real estate only interest in property occupied by other business. For example, assume that Business L owns an industrial park and leases property at the park to Facilities X, Y and Z. If Business L has only a real-estate interest in the site and has no other interest in Facilities X, Y, and Z, then Business L is not required to report facility identification data.

Where multiple businesses are located on a single site, EPA's current thinking is that each business would constitute a separate facility under a Facility Identification Initiative. In this scenario application of the definition is less problematic if the operations of each facility are confined to a single geographic portion of the site. Questions may arise however, where one or more of these businesses carries on several operations that are not contiguous (not confined to the same portion of the site). In this situation EPA favors a strict application of the draft definition which would result in each noncontiguous operation being a separate facility. Returning to the example above, assume that Facilities X, Y and Z are distinct businesses and each operates in its own single confined portion of the industrial park. Each Facility, X, Y, and Z would constitute a separate facility under the draft definition. The boundaries of each facility would be the outermost perimeter of that portion of the industrial park where the facility operates.

If instead, Facility Z operates on two separate non-contiguous portions of the same industrial park then how would the holistic facility definition apply? For example, assume that Facility Z has a production unit at one end of the industrial park and a warehouse unit at the other end of the park. The area between each unit is occupied by Facilities X and Y. A strict application of the draft definition would require that Facility Z's production unit would be one facility and its warehouse unit would constitute a separate facility.

Finally, as to question (3) above, how would the draft facility definition apply to multiple facilities whose operations are commingled on a single site such that the operations cannot easily be distinguished? This might occur if the overall site is small or if the individual locations occupied by the facilities are small. For example, assume again that Facilities X, Y, and Z are distinct, separately owned and operated, businesses located in an industrial park that is one-quarter square mile. Also, assume that X, Y and Z each have one major operation and that each major operation involves twenty-five small related sites located sporadically across the industrial park. The sites are not easily distinguishable geographically because the industrial park is small. Facilities X, Y, and Z each report aggregated data for all of their locations. In this case EPA believes that each overall business, X, Y, and Z, should be considered a separate facility under a Facility Identification Initiative. If on the other hand the site were twenty square miles and each site was geographically distinct, then the holistic definition would result in X, Y and Z each having 25 separate facilities, for a total of 75 facilities on the site.

While these may be workable solutions to applying the facility concept to a multi-facility complex, it is not clear whether these solutions would be viable under all approaches for implementing a Facility Identification Initiative. For example, would EPA and/or the States be

able to accurately determine the holistic facility where multiple businesses each carry on multiple, non-contiguous operations within an industrial park. If the holistic facility identity differed from the identity(ies) used by the facilities in reports, could accurate linkages be established between the two without a requirement that the facilities themselves supply this information? How would such linkages be kept current?

3. Adjacent subsidiaries as separate businesses. Generally, where one owner locates multiple related businesses on a single property, the site in its entirety would constitute the holistic facility under a Facility Identification Initiative. However, it is possible that one owner may have located several independent, unrelated businesses (subsidiaries) on a property, yet all these businesses have separate addresses. One consequence of the draft definition would be to require all such businesses to report only 1 address. For example, the parent company Eclectic R Us owns one site on which it operates Bigfoot Shoe Factory, Jumbo Furniture Assembly Factory, Orgo-chem Manufacturing Plant, and Star Refining. Each of these subsidiaries is known and recognized by the public as a separate entity. Although these subsidiaries are ultimately controlled by the same parent company, they operate and currently report completely separately (and are likely to have not only different names but also different addresses). How could the draft definition be interpreted or modified to best address this scenario? Would this scenario be able to be accommodated under all of the potential implementation models?

4. Systems.

Some types of reporting facilities operate as a system (or part of a system) in which discrete operating units are "contiguous" by virtue of a transportation, property or other system

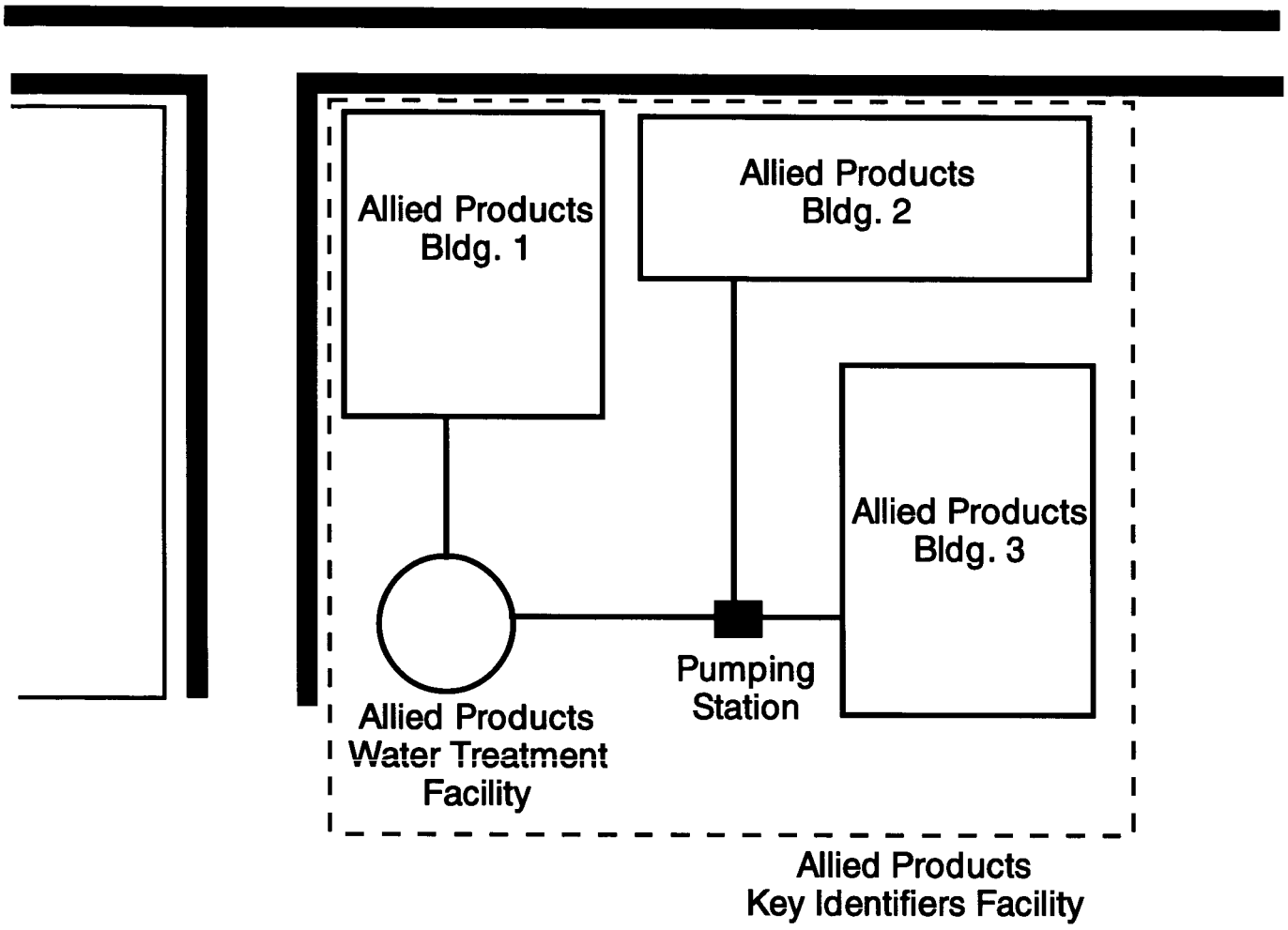
connection. Examples of systems are railroads, utilities, water or pipeline. The activities of a system (e.g. railway transportation) are usually considered to be one operation and linked to one entity (A & Z Railroad). However, the activities of systems are not confined to one location or are usually geographically separate. Railroad, utility, water and pipeline systems have "nodes" of activity but their connections and operations often stretch across many miles and can cross jurisdictional boundaries. Hence, the holistic definition of facility, which is rooted in commonly-owned or operated activities being geographically contiguous, is not entirely synonymous with facilities reporting sprawling systems-type activities.

Systems reporting is not treated uniformly across the affected collections. In some cases, the entire system may constitute a single facility and the data are reported system-wide. Where the reporting is system-wide and the system transcends traditional facility boundaries (i.e. transcends commonly-owned or operated, single or contiguous sites) the draft facility definition does not work well (e.g. Safe Drinking Water Act requirements applicable to municipal water systems). However, the draft facility definition would apply if the entire system (or the reportable activities of the system) falls within the boundaries of a "traditional" facility, and that facility is required to report those activities in the underlying collections.

For example, in **Figure 4** the dotted line encompasses an entire private drinking water system located within the geographic perimeter of the Allied Products facility. Allied Products operates and reports on a drinking water treatment and distribution system, which includes its treatment facility, pumping stations, and wells (not shown). In this example, all operations within the dotted line would constitute the holistic facility.

In other collections, a system is considered to be multiple facilities and data are reported

Figure 4

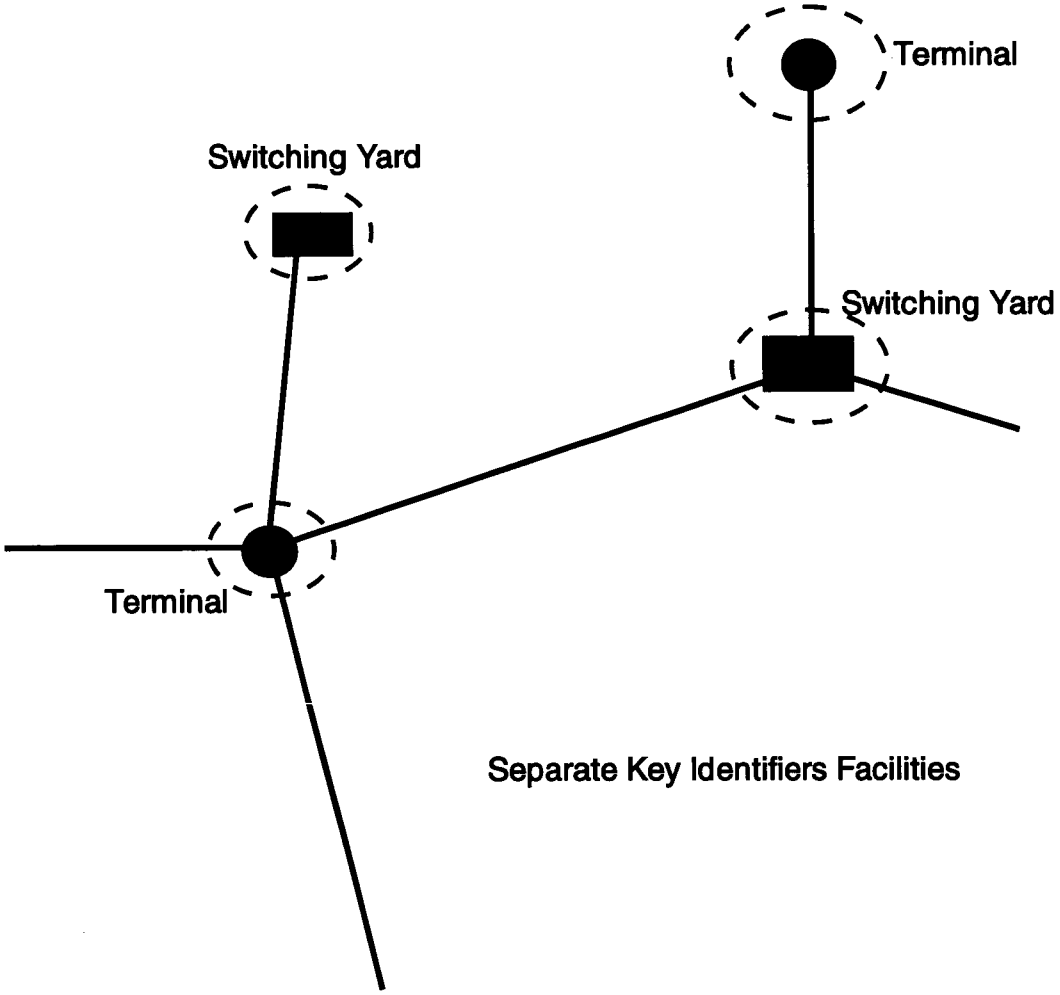

Allied Products
Bldg. 1
Allied Products
Bldg. 2
Allied Products
Bldg. 3
Pumping
Station
Allied Products
Water Treatment
Facility
Allied Products
Key Identifiers Facility

for certain points in the system. Here facilities within the system may report for activities within the confines of their perimeter, and/or report for activities along system's arteries that connect the system's facilities to each other. For example, the web of railroads shown in **Figure 5** are the arteries that connect the railroad switching yards and terminal establishments to each other. A systems connecting arteries (e.g. railroads, pipelines) can run between, above or below other unrelated facilities.

Each of a system's facilities would constitute a separate facility if it reports data pertaining to activities within their own boundaries. For example, assume that each of the switching yards and terminal establishments shown in Figure 5 report on activities within their boundaries (indicated by the dashed lines). Each of the yards and terminal establishments would constitute a separate facility.

Confusion in applying the holistic facility definition may arise when a system's facilities report for points along the system's arteries. If the system's facilities report data for both the activities within its boundaries and for activities along the system's arteries, then EPA could treat each of the system's establishments as separate facilities. For example, assume that the railroad's switching yards and terminal establishments, shown in Figure 5, are also responsible for reporting for portions of the connecting railroad track which runs amidst other unrelated facilities. The sections of connecting railroad tracks that are included in reports may not be easily distinguishable geographically from unrelated facility sites that it transverses. In these instances the substantive data may in part go beyond the perimeter of the reporting facility. However, it may be reasonable to treat the reporting facility as the facility of record. This approach could obtain place-based identifiers while at the same time maintaining the current reporting structure

Figure 5


Terminal
Switching Yard
Switching Yard
Terminal
Separate Key Identifiers Facilities

since some of the substantive data is facility-specific (i.e. pertains to location of yards and terminals).

EPA specifically requests comments on how to address situations where a facility that is part of a system reports data for points along the system's arteries. For example, assume the railroad yards and terminals in Figure 5 report data for sections of the railroad track that connect the facilities to each other. Should the sections of the track be identified as separate facilities for purposes of the Facility Identification Initiative? If so, how would the sections of the track be distinguished geographically from unrelated facilities that the track traverses? What would be the name and address of the portion of railroad track? Should the record relate to the reporting facility even though the data does not pertain to activities within the facilities boundaries? If so, should the portions of the track be assigned the same identification number as one that relates back to the reporting facility? Would the various implementation models equally accommodate these situations?

EPA also requests comments on another scenario. Assume, a facility operates on two or more separate, noncontiguous sites that are connected by an underground pipeline. The pipeline travels beneath unrelated facility sites. Under the draft definition each of the facility's two sites would constitute a separate facility. The question is whether or how the pipeline should be reflected in the facility identification data system? Should or could the pipeline be identified as a separate facility? If not should the pipeline be assigned the same identification number as one of the two facility sites that it connects? What, if any, impact would the vehicle for implementing A Facility Identification Initiative have on resolving this situation?

PART IV. BUSINESS TRANSACTIONS THAT AFFECT THE FACILITY IDENTIFICATION NUMBER OR DATA PROFILE..

The goal of A Facility Identification Initiative is to maintain reliable, place-based identification information for a particular facility. Therefore, the management of facility identification data will need to accommodate business transactions that alter facility identification information (e.g., changes in property boundaries or facility ownership). Such transactions include relocation of activities, expansion of operations, and changes in ownership. EPA's current thoughts on how to accommodate these changes are discussed here. EPA also requests commenters to consider whether these (or other) business changes can be successfully addressed using any of the vehicles for implementing a Facility Identification Initiative set forth in the Notice.

1. Relocation of Activities. When a facility moves all operations from one location to another, the identification number that was assigned to that particular location would not move with those operations. This is because the identification number is intended to be *place-based*. Instead, the identification number will stay with that particular geographic location. The operation that moves would be assigned a different identification number based on its new location. If the incoming operation did not already have a identification number as a result of past activities, then it would be assigned a new identification number. The number associated with the location from which the facility moved would be classified as "inactive" in the Facility Identification system unless or until new operations covered by the Facility Identification Initiative were initiated at that location. In summary, a wholesale move of operations would

require a new number at the new location.

2. Expanding Facility Boundaries. If a facility expands its boundaries by acquiring an adjacent or adjoining piece of property, then the facility identification data would need to be updated to reflect the change. In addition, the facility's identification number would need to be linked to any new reports submitted as a result of the expansion.

Another situation is where a facility with a facility identification number expands its operations to include an adjacent or adjoining facility that also a identification number. In this situation, the number of the facility being acquired would become "inactive" in the Facility Identification data scheme. Although the number would become "inactive", the previously submitted information would be retained, and the user would be referred to the identification number of the expanded facility. The facility identification data would need to be updated for the expanded facility to reflect the acquisition, and all future reports pertaining to the activities of the acquired facility would need to be linked to the expanded facilities' identification number.

3. Changes in Ownership. The facility identification number is a place-based concept. This means that even if a facility changes ownership, only the facility identification data changes, not the facility identification number. Facility identification data profiles on past owners would be archived in the data system.

If a facility owner sells only a portion of the facility or particular operations and no longer controls those activities, the portion that is sold will need to be evaluated as a separate facility for purposes of the Facility Identification Initiative. Generally speaking, the portion sold would be

assigned a new, unique facility identification number. If that sale changes any of the information in the current facility data profile of the original facility (e.g the part sold was a RCRA hazardous waste disposal site), then that change would be noted in the facility profile. A place-based historical record that would show the connection of owners/operators to all or part of a particular location would need to be maintained..